Taking Advantage of the Carbon Markets Agriculture's Opportunity with Cap and Trade

Agricultural Renewable Energy Forum

Hudson Valley AgriBusiness Development Corporation

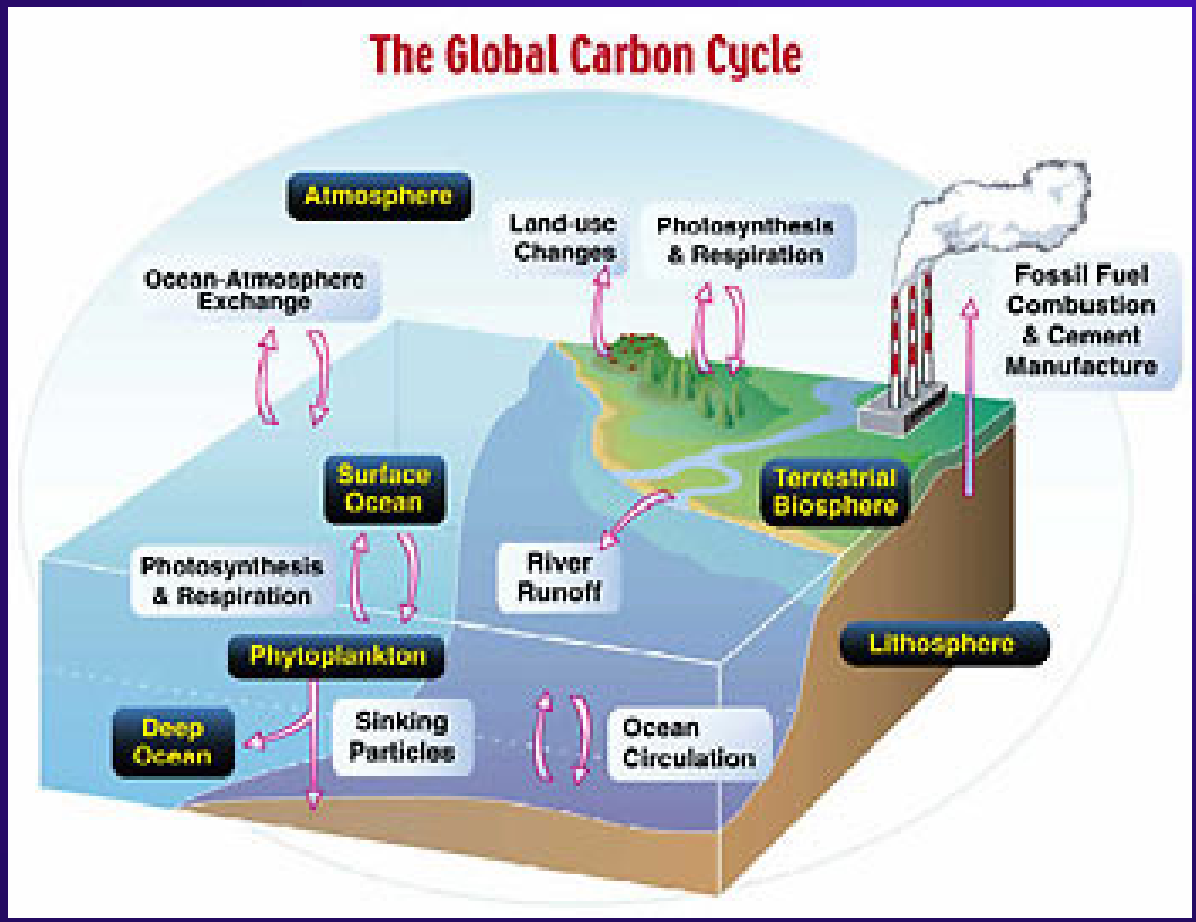
Holiday Inn, Kingston, NY – December 3, 2008

Ron Rausch - Special Assistant, New York State Department of Agriculture and Markets

Format

- General Overview – Concepts & commonly used terms
- Sources – Agriculture's Contribution
- Cap and Trade
- Trading Schemes
- Offsets – Agricultural Opportunities
- Risks

What's the problem ?



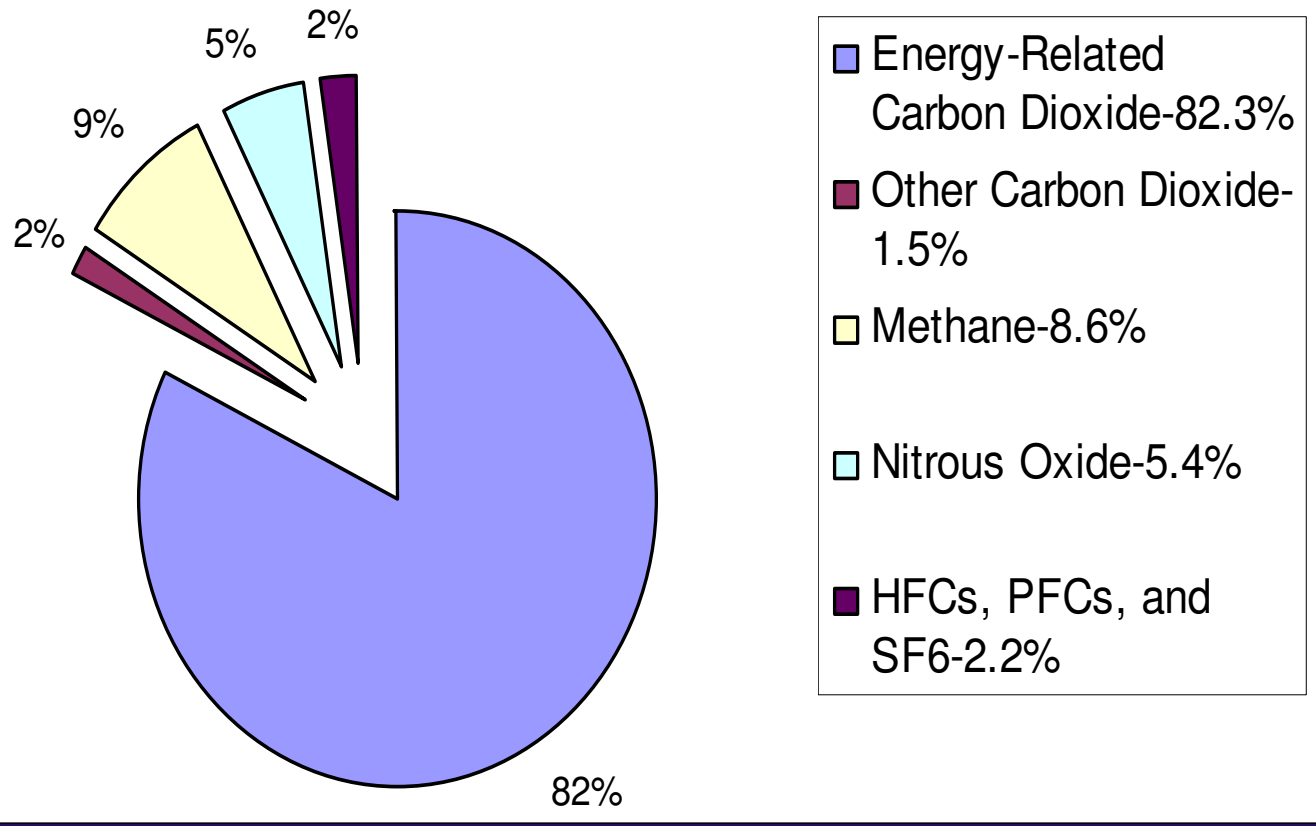
Greenhouse Gases (GHG's)

- Carbon Dioxide (CO_2)
- Methane (CH_4)
- Nitrous Oxide (N_2O)
- Sulfur Hexafluoride (SF_6)
- Numerous Hydrofluorocarbons
- Numerous Perfluorocarbons

Global Warming Potential (GWP)

- Carbon Dioxide – CO_2 = 1
- Methane – CH_4 = 23
- Nitrous Oxide – N_2O = 296
- Sulfur Hexafluoride – SF_6 =22,200
- Carbon Dioxide Equivalent is written as CO_2e

U.S. Anthropogenic GHG Emissions by Gas 2006 (MMT of CO2e) MMT CO2e



Source: Energy Information Administration 2006

Agriculture's Contribution

2006 Data	MMT CO_2e	% of Total
Total U.S. Emissions	7054.2	
Direct Emissions from Agriculture	454.1	6.4%

Inventory of U.S. GHG Emissions and Sinks 1990-2006 – EPA

Emissions from Agriculture methane – CH_4

	MMT of CO_2e	% of CH_4	% of Total
Enteric Fermentation	126.2	22.7%	1.8%
Manure Management	41.4	7.4%	0.58%
Rice Cultivation	5.9	1.1%	0.01%
Field Burning	0.8	0.01%	0.01%
Total CH4 Emissions Agriculture	174.4	31.4%	2.5%
Total CH_4 Emissions	555.3		7.9%

Emissions from Agriculture nitrous oxide – N_2O

	MMT of CO_2e	% of N_2O	% of Total
Agricultural Soil Management	265.0	72.0%	3.8%
Manure	14.3	3.9%	0.2%

```
ERROR: stackunderflow
OFFENDING COMMAND: ~

STACK:
```